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# **Emergency Rule Filing Form**

Emergency rules are effective from date of filing for a period of up to 180 days.

Agency/Board/Commission:	Tennessee Collection Service Board		
Division:	Division of Regulatory Boards		
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x Emergency Rule

Revision Type (check all that apply	Revision	Type (	(check	all that	apply)
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x Amendment

\_\_\_New

Repeal

### Statement of Necessity:

The Tennessee Collection Service Board finds that these rules are necessary in order to allow the board to continue to meet its statutory obligation, pursuant to Tenn. Code Ann. §62-20-108, to provide periodic licensing examinations to collection service location manager candidates. Location managers are statutorily designated to be in active and responsible charge of the business of a collection service in order to ensure that all activities of the collection service comport with the Tennessee Collection Service Act, Tenn. Code Ann. §62-20-101, et seq., other state and federal laws applicable to the credit and collection industry and generally accepted business practices; therefore, the board's ability to continue to provide examinations for and license such individuals is directly related to its ability to fulfill its duty to protect the health, safety and welfare of consumers targeted by collection services. The current rule, which limits the amount examination vendors may charge examination candidates to fifty dollars (\$50.00), is not sufficient to cover vendors' examination administration costs, given the number of candidates that test each year. As a result, no vendors responded to the board's most recent examination Request for Proposals (RFP), leaving the board without the means to continue administering the location manager licensing program.

Chapter Number	Chapter Title	
0320-01	Licensing	
Rule Number	Rule Title	
0320-0102	Examinations	
0320-0103	Fees	

## Chapter 0320-01 Licensing

### Amendments

Rule 0320-01-.02 Examinations is amended by deleting subsection (1) of the rule in its entirety and substituting instead the following so that, as amended, the subsection shall read:

(1) Upon being approved by the Collection Service Board, the candidate shall apply to the approved, independent educational testing organization, on the form supplied by the testing organization, accompanied by the testing fee as set by the board, pursuant to its contract with the testing organization, to take the location manager licensing examination.

Authority: Tenn. Code. Ann. §§ 62-20-104 and 62-20-108.

Rule 0320-01-.03 Fees is amended by deleting subsection (3) of the rule in its entirety and substituting instead the following so that, as amended, the subsection shall read:

(3) In case of failure, the failing location manager licensing examination candidate shall pay a reexamination fee as set by the board, pursuant to its contract with the testing organization.

Authority: Tenn. Code. Ann. §§ 62-20-104 and 62-20-108.

Board Member	Aye	No	Abstain	Absent	Signature (if required)
Bart Howard	Х				
Elizabeth Trinkler	Х				
Elizabeth Dixon				Х	
James Mitchell	X				

I certify that this is an accurate and complete copy of an emergency rule(s), lawfully promulgated and adopted.

All emergency rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

Robert E. Cooper, Jr. Attorney General and Reporter

Date

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Filed with the Department of State on:	9/23/11	
Effective for:	180,	*days
Effective through:	3/21/12	

\* Emergency rule(s) may be effective for up to 180 days from the date of filing.

To Hargett & Richard aviold, POA

Tre Hargett Secretary of State

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## Impact on Local Governments

Pursuant to T.C.A. 4-5-220 and 4-5-228 "any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments."

The rules proposed herein will not have an impact on local governments.

All agencies, upon filing a rule, must also submit the following pursuant to TCA 4-5-226(i)(1).

(A) A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

The proposal amends existing rules 0320-1-.02 and 0320-1-.03 by deleting the location manager licensing examination and re-examination fees, which are limited to fifty dollars (\$50.00), and instead allowing the board to set, by contract with an examination vendor, examination and re-examination fees.

(B) A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

Tenn. Code Ann. §62-20-108 requires that the board, through an outside, independent educational testing organization, administer the location manager licensing examination three (3) times each year.

(C) Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

Any collection service seeking to do business (or continue doing business in the event that the collection service loses its location manager and must appoint a replacement manager) in the State of Tennessee will be affected by these rules. At this time, it is unknown whether such entities support or oppose adoption of the proposed rules.

(D) Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule;

There are no known opinions of the attorney general or judicial rules that directly relate to the proposed rules.

(E) An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the fiscal impact is more than two percent (2%) of the agency's annual budget or five hundred thousand dollars (\$500,000), whichever is less;

Minimal fiscal impact is anticipated as a result of the adoption of these rules.

 (F) Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Terrance L. Bond

(G) Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Terrance L. Bond

(H) Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

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(I) Any additional information relevant to the rule proposed for continuation that the committee requests.